

## FUND DISTRIBUTION FORMULA

For purposes of determining the total amount that will be allocated to each Certified Unified Program Agency (CUPA) from the Environmental Protection Trust Fund (EPTF), the Secretary of California Environmental Protection Agency (Cal/EPA), in consultation with the CUPA's, has developed the following formula.

### Allocation Amount Formula

Step 1      **Deduct the Training Account Portion from the EPTF.** The portion allocated to the Training Account (\$800,000) is deducted from the EPTF starting balance. The balance of the EPTF is currently \$7,500,000.  
$$\$7,500,000 - \$800,000 = \$6,700,000$$

Step 2      **Elements of Total Allocation Amount for Each CUPA.** Total allocation will include a base allocation amount and a share (%) of the EPTF.

A.      **Base Allocation Amount for all CUPAs.** The total sum of each CUPA's base allocation amount (\$40,000) is multiplied by 84, which is the current number of CUPAs with tank facilities. The total sum of the base allocation is \$3,360,000.  
$$(\$40,000 \times 84 = \$3,360,000)$$

Then the total "base allocation" amount is deducted from the EPTF balance in Step 1. The result is an adjusted EPTF balance of \$3,440,000.

$$(\$6,700,000 - \$3,360,000 = \$3,340,000)$$

B.      **Initial Share (%) of EPTF.** Each CUPA's share (%) of the EPTF is then calculated using the process depicted in Exhibit 1 and based on the October 2007 State List of Tank Facilities. Each CUPA will receive up to 80% of their total allocation in advance of actual expenditure.

**Final Share (%) of EPTF.** Each CUPA's share (%) of the EPTF is then calculated using the process depicted in Exhibit 1 and based on the revised State List of Tank Facilities.

## EXHIBIT 1

### PROCESS FOR CALCULATING A CUPA'S SHARE OF THE EPTF

Calculate the share (%) of the EPTF for each CUPA by following the process depicted in Steps 1-5. Please use the data on the October 2007 "State List of Tank Facilities" for determining the initial allocation and the "Facility Category and Workload Table" (see table below) to complete the calculation. Please use the revised "State List of Tank Facilities" for determining the final share (%).

**Step 1** Identify the Number of Tank Facilities, by Facility Category, for each CUPA. Using the State List of Tank Facilities, identify the total number of tank facilities for each CUPA within the CUPA's jurisdiction<sup>1</sup> for each facility category listed in Table 1 below.

<u>Examples</u>	<b>SMALL CUPA</b>	<b><u>36</u></b>	<b>Total Tank Facilities</b>
	<u>Facility Category</u>		<u>No. of Tank Facilities</u>
	1		30
	2		5
	3		0
	4		1
	5		0
	6		0

  

	<b>LARGE CUPA</b>	<b><u>260</u></b>	<b>Total Tank Facilities</b>
	<u>Facility Category</u>		<u>No. of Tank Facilities</u>
	1		130
	2		75
	3		35
	4		12
	5		6
	6		2

**Step 2** Calculate the Total Estimated Workload for each CUPA. For each specific facility category, multiply the number of facilities identified in Step 1 by the associated workload estimate hours provided for that specific facility category on Table 1. Then add the totals for each category to determine the CUPA's total estimated workload.

**Table 1 - Facility Category and Workload Table<sup>2</sup>**

<b>Facility Category</b>	<b>Tank Facility Storage Capacity (gallon)</b>	<b>Workload Estimate<sup>3</sup> (hour)</b>
1	≥1320 to <10,000	9
2	≥10,000 to ≤100,000	16
3	≥100,001 to ≤1,000,000	18
4	≥1,000,001 to ≤10,000,000	20
5	≥10,000,001 to ≤100,000,000	24
6	≥ 100,000,001	27

<sup>1</sup> For purposes of this formula, the CUPA's jurisdiction is defined as the entire geographic boundaries of the County, City, or Joint Powers Agreement.

<sup>2</sup> AST Workload Estimates are based on Water Board inspections with administrative hours added for each facility category by the APSA Administrative Workgroup.

<sup>3</sup> Workload estimate in hours is based over a 3-year period

Examples**SMALL CUPA**

Facility Category	No. of Tank Facilities	Workload Estimate	Total Workload Estimate
1	30	9 hours	270 hours
2	5	16 hours	80 hours
4	1	20 hours	20 hours

**Small CUPA's Total Estimated Workload 370 hours**

**LARGE CUPA**

Facility Category	No. of Tank Facilities	Workload Estimate	Total Workload Estimate
1	130	9 hours	1,170 hours
2	75	16 hours	1,200 hours
3	35	18 hours	630 hours
4	12	20 hours	240 hours
5	6	24 hours	144 hours
6	2	27 hours	54 hours

**Large CUPA's Total Estimated Workload 3,438 hours**

Step 3 Calculate the Total Workload Hours for All 84 CUPAs. Add all the total estimated workload hours for each CUPA.

The total for all 84 CUPAs' Estimated Workload Hours for the initial share (%) is based on the October 2007 State List of Tank Facilities and is **88,292 hours**. For the final share (%), use the total estimated workload hours based on the revised State List of Tank Facilities.

Step 4 Calculate the Share (%) of Fund Allocation for each CUPA. Divide the CUPA's total estimated workload hours (in Step 2) by the total workload hours for all 84 CUPAs (in Step 3). Then multiply by 100 to obtain the percentage share. For initial share (%), use data based on the October 2007 State List of Tank Facilities. For final share (%), use data based on the revised State List of Tank Facilities.

Examples

## SMALL CUPA

Initial Share (%) of the EPTF

$$370 \text{ hours} \div 88,292 \text{ hours} = 0.0042$$

$$\mathbf{0.42\%} = 0.0042 \times 100$$

## LARGE CUPA

Initial Share (%) of the EPTF

$$3,438 \text{ hours} \div 88,292 \text{ hours} = 0.0389$$

$$\mathbf{3.89\%} = 0.0389 \times 100$$

Step 5. Calculate the Allocation for each CUPA. Multiply the CUPA's share (%) in Step 4 by the adjusted EPTF balance of \$3,340,000 calculated in the Fund Distribution Formula's Step 2 (A). Divide by 100 and then add the base allocation of \$40,000 to obtain the total allocation for the CUPA. For final share (%), use the data based on the revised State List of Tank Facilities and projected EPTF balance.

Examples

## SMALL CUPA

Initial allocation

$$(0.42 \times \$3,340,000) \div 100 = \$14,028$$

$$\mathbf{\$54,028} = \$40,000 + \$14,028$$

## LARGE CUPA

Initial allocation

$$(3.89 \times \$3,340,000) \div 100 = \$129,926$$

$$\mathbf{\$169,926} = \$40,000 + \$129,926$$